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## How COVID-19 Has Coronated Digital the King of Healthcare Marketing



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In many ways, the coronavirus pandemic has been different for each of us, but we've also shared many of the same experiences. I can confidently say that you, the reader, have most likely driven tens of miles to find basic commodities, celebrated holidays with extended family on Zoom, and binge-watched episodes of Tiger King. However, one place we know with certainty that you avoided at all costs was your doctor's office.

In a recent McKinsey report, 80% of physicians surveyed saw a drop in patient volumes, with 62% reporting a "significant" drop. Even with the explosion of telehealth, physicians across the country still reported seeing half as many patients as they did before the pandemic.

With consumers, patients, and—yes—healthcare providers stuck in their homes, digital marketing and communications are playing a vital role in delivering health information to a population spending a growing amount of time in front of their devices. Trends that were already at play before COVID-19, such as cord-cutting and the exponential growth in Connected TV, have now accelerated beyond their critical inflection points, leaving a lasting change in consumer content consumption behavior for years to come.

In a time when it's incumbent on marketers of all stripes to recognize and respond to these consumption shifts, it is of paramount importance that healthcare marketers adapt their strategies and share their messages in the channels where their two key audiences — patients and healthcare providers — are spending the majority of their time. How should healthcare marketers adapt their strategies and which channels are best-suited to effectively reaching their audiences?

## **Health Consumers and The Rise of Connected TV**

It's no secret that pharmaceutical companies spend heavily on television advertising. Television generally captures an older demographic that over indexes in several disease categories. Proof can generally be found by simply turning on your local news channel and sitting through a commercial break.

However, there were existential questions about the future of television long before the emergence of COVID-19. Television advertising revenue had been stalling due to increased competition from streaming platforms such as Netflix and Hulu. "Cord-cutting", once a hallmark of the digitally-savvy millennial experience, became mainstream as device manufacturers began bundling streaming apps within Smart TVs and internet-enabled devices.

In the months before the pandemic, a Nielsen study found that streaming accounted for nearly 19% of TV viewing time. In stark contrast, that number jumped to 25% during the week of March 16th, up 36% from the last week of February and up 100% from the same week in 2019! One would expect that this trend would subside as economies reopen and the summer months fall upon us, however, more recent Nielsen research shows that streaming consumption is holding steady well above pre-COVID levels. This trend paints a bleak picture of traditional paid television.

Many industry analysts expect the loss of paid cable subscribers to accelerate well into the foreseeable future — a trend driven by the cessation of professional and college sports seasons into the second half of 2020.

For the healthcare marketer, keeping a pulse on trends that impact a channel as important as television is of utmost importance. As evidenced in studies, consumers are rapidly shifting away from traditional paid television and towards a more fragmented, on-demand streaming ecosystem. The risk

of falling out-of-sync with the relevant health audiences not only increases with these changes, but the effectiveness of existing marketing investments becomes increasingly questionable as audiences migrate to new and emerging channels.

Luckily, the once nascent Connected TV ecosystem has begun to mature and consolidate which, in turn, is simplifying access to these audiences. New SVOD (subscription video on demand) offerings such as Peacock and Disney+, AVOD (ad-supported video on demand) platforms like Tubi and IMDb TV, along with new set-top box addressable TV offerings from MVPDs (multichannel video programming distributors) such as Comcast and AT&T are all blurring the line between what's "traditional" and what's new.

More importantly, these emerging technologies are now offering ad inventory that is programmatically accessible to demand side platforms (DSPs). This means marketers can use the same data-driven, audience-based advertising technology to reach TV audiences with the same measurability and precision as other digital media — a significant departure from the days of buying against GRPs. The resulting shift in channel spend towards Connected TV media will profoundly supplant the \$3.8 billion spent annually on traditional TV by healthcare marketers.

## **The Rise of the Healthcare DSP**

Access to TV audiences within demand side platforms represents a significant milestone in the digital transformation of healthcare marketing. Marketers are readily embracing the ability to unlock first, second, and third-party data assets within omnichannel strategies that enable an unprecedented level of reach, precision, and personalization.

However, the specific needs of the healthcare marketer are more nuanced and complex than the needs of the typical marketer. Most have found that the capabilities of traditional programmatic DSPs like The Trade Desk or DV360 fall far short of the level of reporting, targeting, and publication access (such as medical journals) needed for their campaigns. For example, targeting and reporting in these DSPs require third-party data providers who employ opaque "black box" methodologies and necessitate complicated data transfers that oftentimes cause significant loss in reach as data is pushed into the DSP.

Healthcare marketers, in search for more viable options, have begun seeking out platforms that can meet all of their needs. In that process, a growing number have discovered the benefits of DSPs purpose-built for healthcare. Healthcare DSPs are built along three "axes" of differentiation that resonate with the needs of the marketers they serve: unique data, inventory, and reporting integrations. Marketers who adopt these specialized DSPs enjoy enhanced access to "endemic" (healthcare-focused) inventory and targeting capabilities that allow for privacy-safe, HIPAA compliant activation of patient audiences. For provider campaigns, these DSPs have the ability to generate provider-level exposure reports ("PLD") that fuel next-generation cross-channel measurement and orchestration strategies.

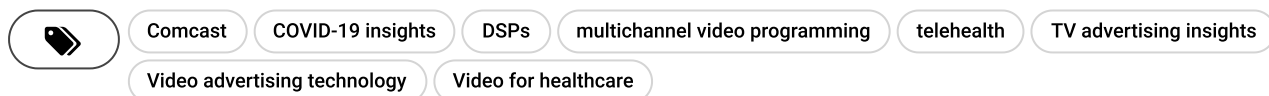
By integrating these platforms deeply into their marketing strategy, marketers who have adopted a healthcare DSP are also best prepared to reach an increasing number of “digital-first” and “digital-only” audiences.

## With All This Change, Patient and Consumer Privacy Remains Most Important

While it’s incredibly difficult to predict the future (especially during the midst of a pandemic), all signs are pointing towards digital emerging from the pandemic as the dominant channel for healthcare marketers. As healthcare audiences increasingly spend more time in front of digital devices, marketers will have the ability to reach more patients and providers across formats that are both *addressable* and *measurable*.

While a healthy channel mix is paramount to the overall success of any marketing plan, traditional marketing channels will see stagnation over the coming months and years. Some, like traditional television, will be entirely superseded by technologically superior, data-driven methods that are integrated into holistic customer-centric marketing platforms.

What will certainly go unchanged is the importance of patient and consumer privacy. Healthcare marketers in particular will need to partner with vendors that offer access to addressable and measurable audiences across emerging media in a way that does not jeopardize the trust between patients and technology. It’s encouraging to see companies that own technologies and platforms built exclusively for healthcare making it a cornerstone of their product strategy. As we look at the future of healthcare marketing, I am excited for the innovation that will be built upon addressable and measurable media, and the promise that marketers will wield greater insight into the media that is driving the most important KPI: improving patient outcomes in a privacy-safe way.



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